



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 12, 2003

H.R. 874

Rail Passenger Disaster Family Assistance Act of 2003

*As ordered reported by the House Committee on Transportation and Infrastructure
on February 26, 2003*

The National Transportation Safety Board (NTSB) investigates every civil aviation accident and significant accidents in other modes of transportation. H.R. 874 would require the NTSB to offer assistance to the families of passengers involved in a rail accident that results in a major loss of life. H.R. 874 also would require the Secretary of Transportation to establish a task force that would recommend ways to improve family assistance and to more accurately count the number of passengers on board a train involved in an accident.

CBO estimates that implementing H.R. 874 would cost the federal government less than \$500,000 each year. Enacting H.R. 874 would not affect direct spending or receipts.

The bill would impose intergovernmental mandates and private-sector mandates as defined by the Unfunded Mandates Reform Act (UMRA). CBO estimates that the direct costs of those mandates would not exceed the annual thresholds established in UMRA in any of the next five years. The threshold for intergovernmental mandates is \$59 million in 2003, and the threshold for private-sector mandates is \$117 million in 2003; those thresholds are adjusted annually for inflation.

H.R. 874 would prohibit states from blocking the NTSB, or agencies designated to provide counseling services, from providing support to families of the victims of passenger rail accidents. The bill also would limit the liability of passenger rail carriers when they provide certain information regarding passenger lists and reservations. Those provisions would impose intergovernmental mandates under UMRA. While they would limit state authority, however, the provisions would impose no duty on states that would result in additional spending. Consequently, the threshold established in UMRA would not be exceeded.

H.R. 874 would impose three new federal mandates on the private sector, but CBO estimates that their total direct costs would fall well below the threshold (\$117 million in 2003, adjusted annually for inflation) established in UMRA. First, the bill would prohibit any

person from hindering the ability of the NTSB and the nonprofit organization designated by the NTSB to carry out their responsibilities under the bill or from hindering the ability of families of passengers to contact one another.

Second, attorneys or other potential parties would be prohibited for a 45-day period from making unsolicited contact concerning potential legal action with injured passengers or family members. Information provided by the legal community indicates that state bar associations have a variety of regulations governing the action of attorneys after such disasters, but most do not prohibit such contact for a period as long as 45 days. CBO estimates that the private sector's cost of compliance with those prohibitions would be small.

The third mandate would require passenger rail carriers to submit a plan detailing assurances and procedures to be invoked in case of a railway accident involving a major loss of life. Such a plan would have to be submitted to the NTSB and to the Secretary of Transportation no later than six months after the enactment of the bill. According to industry experts, Amtrak is the only current passenger rail carrier that would be affected by the provisions in the bill. Currently, Amtrak has contingency plans for responding to the needs of families of rail accident passengers. According to Amtrak, the additional cost of any further modifications to incorporate the provisions in the bill and the cost of submitting the plan to the NTSB would be small. There also could be direct savings to Amtrak, as the bill limits the liability of the passenger rail carrier arising from its preparing or providing a passenger list required by the bill.

The staff contacts for this estimate are Rachel Milberg (for federal costs), Greg Waring (for the state and local impact), and Cecil McPherson (for the private-sector impact). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.